

**Minutes of the Blue Ribbon Panel for Transportation Funding**  
**Meeting #4**  
**June 19, 2008**  
**8:50 am-11:00 am**  
**Department of Administration – Conference Room A**

**Members Present:** Jerome Williams, Dept. of Administration, Co-Chair  
Michael Lewis, RIDOT, Co-Chair  
Lloyd Albert, AAA  
Robert Cusack, Preferred Asset Management, LLC  
John Simmons, RIPEC  
William Sequino, Town Manager, East Greenwich  
Robert Weygand, URI

**Member Absent:** John Gregory, Northern RI Chamber of Commerce; Peter Osborn, FHWA; Gary Sasse, Dept. of Revenue; Keith Stokes, Newport Chamber of Commerce

**Staff:** Maureen Gurchigian, Robert Shawver, Kazem Farhoumand, Diane Badorek

**In Attendance:** Marc Leonetti, John Megrachian, Phillip Kydd, Heidi Cote, Dana Alexander Nolf, Buddy Croft, David Darlington, Debra Moolin-Taylor, Kirsten Pflomm, Henry Schwarzbach, Farhad Atash, Katherine Trapani, David W. Fish, Vincent Palumbo

**June 5, 2008 Meeting Minutes**

The June 5, 2008 minutes were approved without revision.

**Next Meeting:**

The next meeting of the Blue Ribbon Panel is scheduled for July 10<sup>th</sup>.

**TBA Funding Needs Assessment: Debra Moolin-Taylor, Parsons Brinckerhoff**

***Overview:***

Since 2003, the Rhode Island Turnpike and Bridge Authority (TBA) has instituted a maintenance plan that has been a cost-effective approach to maintaining the condition of the Newport/Pell and Mount Hope bridges. By deferring some of the more costly work and cleaning and painting only the areas most subject to deterioration, such as the areas underneath roadway joints, the condition of the bridges has been maintained while revenues have remained flat and repair costs have increased. However, the Newport/Pell Bridge is at a point in its life cycle where deferring capital repairs has reached diminishing returns and is no longer cost-effective. Full cleaning and painting of the bridge is necessary, in addition to partial-depth deck replacements and cable and steel repairs. Based on the assumptions that the TBA would continue to operate as it does today and implement the needed capital repairs, funding projections show that a shortfall of \$ 223 million will occur over the period from FY 2007-2027. Parsons Brinckerhoff has developed eleven scenarios that could be implemented in order to prevent the funding shortfall. The TBA is in the process of evaluating these options which could either be implemented in conjunction with, or independently from, the efforts of the Blue Ribbon Panel. A decision regarding this should be made soon because it is imperative that TBA move forward with the process to address this issue.

The presentation made by Parsons Brinckerhoff will be available on the BRP website, and the full report on TBA funding needs can be accessed at [www.ritba.org/bulletins.html](http://www.ritba.org/bulletins.html).

## **Draft Highway System Funding Needs Analysis: Robert Shawver, RIDOT**

### **Overview:**

Due to the high cost of the “Swim” and “Win” scenarios, a more detailed Highway System Funding Needs Analysis was developed based on a modified version of the “Tread Water” scenario originally proposed by Statewide Planning and RIDOT in an earlier presentation to the Blue Ribbon Panel. This scenario represents realistic transportation funding needs for the State. Expressed in 2008 dollars and assuming 3% inflation, the average annual funding that would be required over the next ten years is \$755 million per year. The estimated amount of funding needed per year ranged from \$659 million in 2009 to \$859 million in 2018.

Background information including descriptions of the major projects highlighted in the funding needs analysis, a listing and a map showing the structurally deficient bridges in the State, and information on the projects included in the Enhancement category in the Transportation Improvement Program were distributed.

The presentation, as well as the draft funding needs analysis, will be made available on the BRP website.

### **Discussion:**

#### ***Tolling:***

Tolls on the interstate system would have to be approved by the Federal Highway Administration. The TBA would have to be restructured in order to have the authority to oversee such new tolls. The TBA currently has the authority to increase the toll on the Newport/Pell Bridge (which has not changed since it went into effect) and reinstate the toll on the Mount Hope Bridge (this toll was set by the legislature and was discontinued when it stopped covering the costs of collection).

Tolls on certain facilities should be dedicated to fund only those facilities, and not go into the General Fund. Step increases on tolls that are re-evaluated every five years are preferable to a one-time increase because it allows adjustments to be made in response to changes in traffic and maintenance/support costs. This approach also prepares the public for future increases over time.

#### **Funding Needs:**

Funding would have to be incremental to meet the expected timeframe for advancing projects, rather than a straight line over ten years. Program funding needs should reflect increases due to inflation in the anticipated years of project implementation. Staffing needs would also have to be included in the assessment to ensure the timely processing and completion of projects. Due to the start-up time for projects, RIDOT probably would not have the ability to spend additional funds for about two years. A management consultant could be utilized to aid in scheduling and tracking project progress. It was strongly recommended that the needs analysis be updated to utilize estimates that include future costs due to inflation rather than 2008 dollars.

The funding analysis should also include impacts on the local economy, such as the benefits to the local economy from increased construction activity. A contract has been established with professors from URI to perform an analysis of funding options which will be presented at the next meeting.

#### **Publicity Campaign:**

The Governor is anxious to get the message out to the public. It was recommended that the legislators be brought into the discussions soon, starting with the House and Senate Finance Committees and the leadership and staff. A traveling “road show” was suggested as a means of bringing the information that has been collected to various sectors and groups, and also to receive public input. It was noted that it is important that the resulting recommendations to address the transportation funding needs come from a “Rhode Island” plan for the future of transportation in the State. Comments on the draft brochure were requested.